

1105.4200 APPLICATIONS; INITIAL ISSUANCE; RENEWAL OF PERMITS.

A. The application for initial issuance and for renewal of permits must specify that:

(1) all individual employees of the firm who have been granted practice privileges under Minnesota Statutes, section 326A.14, or who hold certificates and reside or practice in this state and those persons specified in part 1105.4000, item D, who are responsible for supervising attest or compilation services or who sign or authorize someone to sign an accountant's report on financial statements have met the competency requirements set out in professional standards; and

(2) all attest and compilation services rendered by the firm in this state are under the charge of a person holding an unexpired certificate issued under Minnesota Statutes, section 326A.04, with an active status or the corresponding provision of prior law or a person who has been granted practice privileges under Minnesota Statutes, section 326A.14.

B. An entity with an office in this state, including a sole proprietorship, is required to hold a valid permit if it:

(1) provides attest services;

(2) assumes or uses the title "certified public accountants," the abbreviation "CPAs," or any other title, designation, words, letters, abbreviation, sign, card, or device tending to indicate that the entity is a CPA firm; or

(3) provides compilation services, except that if the entity's form of business does not qualify it for a permit, then the CPA holding an active certificate and employed by the entity who performs the compilation services shall comply with Minnesota Statutes, section 326A.10, paragraph (k). Registered accounting practitioners shall comply with this chapter including part 1105.7500.

C. Any entity, including a sole proprietorship, which does not have an office in this state but performs the attest services specified in Minnesota Statutes, section 326A.05, subdivision 1, paragraph (a), clause (4), for a client having its headquarters in this state, is required to hold a valid permit.

D. The board shall consider a firm terminated if the firm has a permit that has been expired for more than two renewal periods. A firm with a permit that has been expired for more than two renewal periods must reapply under part 1105.4000 to obtain a valid permit.

E. If a firm is registered or required to register with the Office of the Secretary of State and no longer holds an active registration due to revocation, administrative dissolution, cancellation, or any other action, the firm has 60 days to present documentation from the Office of the Secretary of State to the board indicating the reactivation of the firm's business registration or the board shall consider the firm terminated. To obtain a valid permit, a firm without an active registration must reapply to the board under part 1105.4000.

Statutory Authority: *MS s 326.18; 326A.02*

History: *27 SR 1425; 28 SR 1636; 30 SR 422; 33 SR 476; 48 SR 349*

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